

Planning and Rights of Way Panel 13th March 2018
Planning Application Report of the Service Lead - Infrastructure, Planning and Development

Application address: Land At junction of Brownhill Way and Lower Brownhill Road, Southampton			
Proposed development: Erection of 14 two-storey houses (12 x three bedroom and 2 x two bedroom) with associated parking, vehicular access from Lower Brownhill Road and space for a children's play area.			
Application number	12/00596/FUL	Application type	FUL
Case officer	Simon Mackie	Public speaking time	15 minutes
Last date for determination:	N/A	Ward	Redbridge
Reason for Panel Referral:	Request to vary Affordable Housing obligation within the Section 106 by way of a Deed of Variation – previously approved by Panel	Ward Councillors	Cllr Whitbread Cllr Pope Cllr McEwing
Referred by:	N/A	Reason:	Viability Issues

Applicant: The Trustees of The Barker Mill Estates	Agent: Nigel Jacobs (Intelligent Land)
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Recommendation Summary	Delegate to the Service Lead - Infrastructure, Planning and Development to agree a deed of variation to the Section 106 Agreement dated the 30th August 2013
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Community Infrastructure Levy Liable	No
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Appendix attached	
1	Original Section 106 Agreement (30 th August 2013)
2	Planning & Rights of Way Panel Report (21 st August 2012)
3	DVS Viability Appraisal Report

Recommendation in Full

Delegate to the Service Lead – Infrastructure, Planning and Development to make a Deed of Variation to vary the Section 106 Agreement dated the 30th August 2013 to reduce the Affordable Housing provision, on viability grounds, to the provision of (i) one on-site unit, identified as Plot 3 (a two-bed detached unit) with a small surplus provided as a financial contribution and (ii) the imposition of the council’s standard viability review mechanism clause.

1.0 **Proposal & Background**

- 1.1 This application was approved by the Planning & Rights of Way Panel in August 2012, subject to the completion of a Section 106 Agreement, a copy of which can be found at Appendix 1. A copy of the officer's report is also appended at Appendix 2.
- 1.2 Planning permission was granted and initial site works commenced. The site has stalled and has remained undeveloped for a number of years, with the current consented scheme having been demonstrated to be unviable and therefore unlikely to come forward with the current level of planning obligation being sought through the Section 106 Agreement dated the 30th August 2013.
- 1.3 The applicant has submitted a viability assessment which has been appraised by the Council's independent expert (DVS) and it has been found to be unviable, for the full policy compliant level of affordable housing, based on the current market conditions and established viability guidelines. A copy of the DVS Viability Appraisal Report can be found at Appendix 3 of this report.
- 1.4 A Deed of Variation is therefore sought to reduce the Affordable Housing provision from three (3) units to one (1) unit, provided on-site, based on the inclusion of the council's standard viability review and completion clauses, to ensure that if the development does not come forward for development in the short term, the council has the ability to review the viability position at a fixed point in the future.

2.0 **Relevant Planning Policy**

- 2.1 The Development Plan for Southampton currently allows viability to be taken into account as set out within the "saved" policies of the City of Southampton Local Plan Review (as amended 2015), the City of Southampton Core Strategy (as amended 2015) at Policy CS15 – Affordable Housing. It states:

2.2 ***"Policy CS 15 - Affordable Housing***

... On sites where 5 – 14 net dwellings are proposed the Council will seek provision, through negotiation, of 20% affordable housing. The proportion of affordable housing to be provided by a particular site will take into account:-

- 1. The costs relating to the development; in particular the financial viability of developing the site (using an approved viability model)***
- 2. The need to contribute towards the sub-regional target whereby the total provision of affordable housing is made up of 65% social rented and 35% intermediate affordable housing*
- 3. The proximity of local services and the accessibility of the site to public transport*
- 4. Constraints on the development of the site imposed by other planning objectives*
- 5. The need to achieve a successful housing development in terms of the location and mix of affordable homes..."*

3.0 **Relevant Planning History**

- 3.1 This scheme was approved by the Planning Panel in August 2012, and was implemented but has become stalled due to viability issues of building out the consented scheme.

4.0 Planning Consideration Key Issues

- 4.1 The key issue for consideration is whether the Planning & Rights of Way Panel are willing to vary the terms of the original Section 106 Agreement by way of reducing the provision of the policy compliant Affordable Housing obligation, on viability grounds, with the aim of encouraging the development proposal to be built out in the short term and make provision for one unit of Affordable Housing alongside the completion of 13 additional private family homes.
- 4.2 If the proposal is rejected it is unlikely that the consented development will come forward and a revised planning application will be required. The resubmission would again include a viability appraisal in respect of affordable housing.

5.0 Conclusion

- 5.1 As such, the proposal is recommended for approval subject to securing the matters set out in the recommendations section of this report.

SM for 13/03/2018 PROW Panel